

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 93-014-E - ORDER NO. 93-195

MARCH 1, 1993

IN RE: Application of Lockhart Power Company) ORDER
for an Establishment of Tariff Schedule) APPROVING
PM to Reflect Changes in the Franchise) APPLICATION
Fees Assessed by the Town of Pacolet Mills,)
South Carolina.)

On December 9, 1992, Lockhart Power Company (Lockhart or the Company) filed an Application with the Public Service Commission of South Carolina (the Commission) requesting an establishment of Tariff Schedule PM to reflect changes in the Franchise Fees assessed by the Town of Pacolet Mills, South Carolina. Lockhart serves approximately 375 customers inside the town limits of Pacolet Mills. In the past, the town has collected a Franchise Fee from Lockhart based on total dollar sales of electricity inside the town limits. This fee has historically been small, ranging from \$1,400 to \$1,500 per year. Effective with the Franchise Fee for 1992, the Town of Pacolet Mills passed an ordinance providing for a fee of 3% applied to total electric sales dollars inside the town limits, which amounts to approximately \$10,641. The proposed tariff would exclude the previously assessed amount of \$1,470 since this fee is included in Lockhart's previously approved rates. The Application was filed

pursuant to Section 58-27-860, Code of Laws of SC (1976), as amended.

By letter dated January 6, 1993, the Commission's Executive Director issued a letter to the Company requiring the Company to furnish at its own expense, on or before January 15, 1993, by bill insert, if possible, a Notice of Filing to each affected customer informing the customers as to how to file the appropriate pleadings with the Commission if desired. The letter also required the Company to provide a Certification on or before January 15, 1993 that the notification had been furnished. One Letter of Protest was received. No interventions were received, and the Certification that the notices were furnished was also received from the Company.


The Commission has examined this matter and holds that the establishment of Tariff Schedule PM to reflect changes in the Franchise Fees assessed by the Town of Pacolet Mills, South Carolina should be approved. Clearly, the Company had no control over the ordinance passed by the Town of Pacolet Mills. This Commission believes that the Franchise Fee amount should be collected from residents inside the town limits of Pacolet Mills, and that therefore, the approval of the Tariff Schedule PM is reasonable. See, for example, City of Spartanburg v. Public Service Commission of South Carolina and Southern Bell, 314 S.E. 2d 599 (SC, 1984).

This approval shall be effective with the date of this Order. The Company shall file ten (10) copies of Tariff Schedule PM

within fifteen (15) days of the date of this Order. The Company shall inform the effected customers of the approval of and effect of the Tariff Schedule PM before or at the time the charge shows upon the customers' bills. The Company shall provide certification that this notice was given within sixty (60) days of the date of this Order. The Company shall provide a separate line item on its bills when billing for this item labeled "Town Franchise Fee."

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)